

FRANKLIN COVEY CO

Form 4

September 28, 2012

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *

KNOWLEDGE CAPITAL
INVESTMENT GROUP

(Last) (First) (Middle)

3232 MCKINNEY AVENUE

(Street)

DALLAS, TX 75204

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading

Symbol

FRANKLIN COVEY CO [FC]

3. Date of Earliest Transaction

(Month/Day/Year)

09/26/2012

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director

__X__ 10% Owner

____ Officer (give title
below)____ Other (specify
below)6. Individual or Joint/Group Filing(Check
Applicable Line)

__X__ Form filed by One Reporting Person

____ Form filed by More than One Reporting
Person**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	09/26/2012		X		340,877	A	1,951,995

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Warrant to purchase common stock	\$ 8 ⁽²⁾	09/26/2012		X		1,000,000 <u>(1)</u>		03/09/2006	03/08/2013	Common stock	1,000,000 <u>(1)</u>

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

KNOWLEDGE CAPITAL INVESTMENT GROUP
3232 MCKINNEY AVENUE
DALLAS, TX 75204

X

Signatures

Stephen D. Young,
Attorney-in-Fact

09/28/2012

 **Signature of Reporting Person

 Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The shares were acquired on a partial net exercise of a warrant. The right to purchase 1,000,000 common shares was surrendered in exchange for 340,877 common shares.

- The warrant may only be exercised by net exercise basis in which the right to purchase a number of shares of common stock is
(2) surrendered in exchange for a smaller number of shares having a market value equal to the spread between the market value and the exercise price of the shares that could be acquired by paying the cash exercise price.

- The warrants were issued in a reclassification in which each share of Series A Preferred Stock of the Issuer was reclassified into four
(3) shares of Series A Preferred Stock (nonconvertible) of the Issuer and a warrant to purchase shares of common stock of the Issuer. The Issuer redeemed all of its outstanding Series A Preferred Stock in 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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